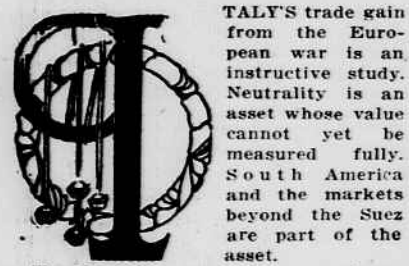


ITALY HAS PROSPECT FOR GREAT WORLD COMMERCE BY KEEPING OUT OF WAR

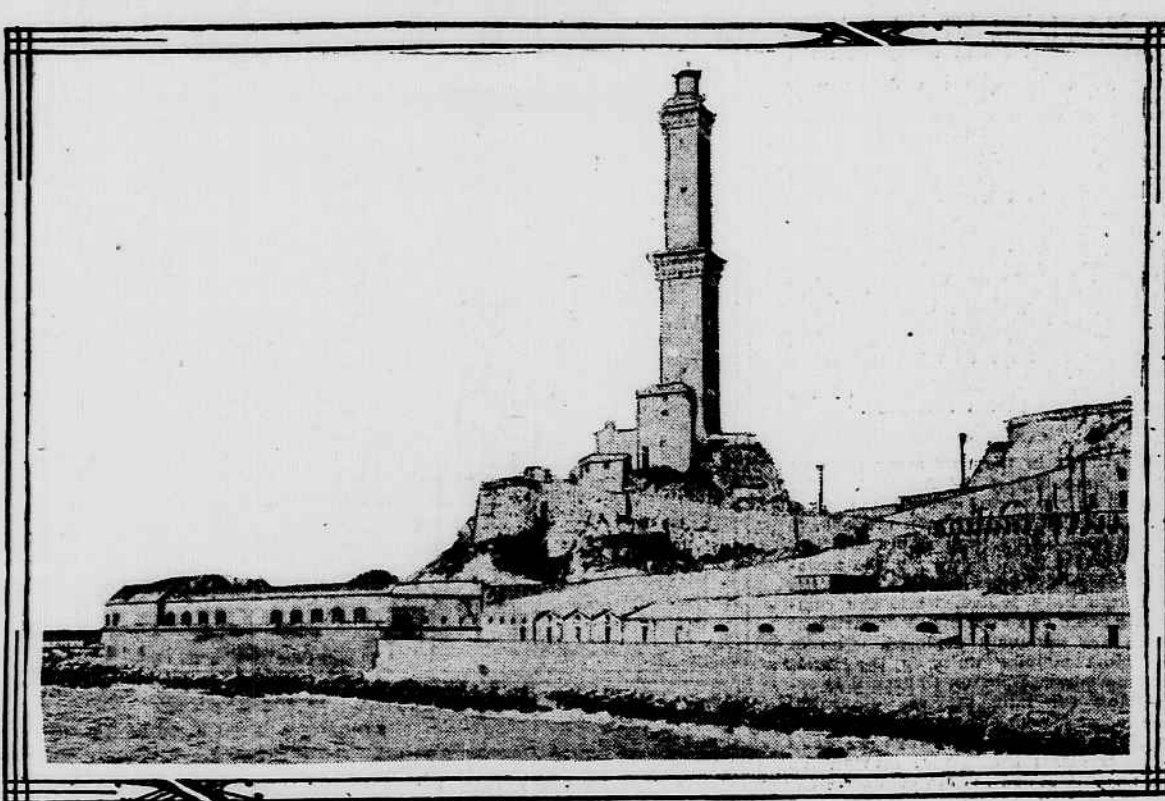
Markets for Agricultural Products — Imports of Raw Material for Export Industries — No Trade Rivalry With the United States — Advantages in the Neutral Field of South America — Opportunities in the Mediterranean and Beyond Suez. Building Up the Merchant Marine.

BY CHARLES M. PEPPER.



Should Italy succeed in remaining neutral to the end of the war, her agricultural and industrial resources can continue unchecked while the other European countries are striving to fill the economic void in trade and industry caused by the war waste of men and material. The greatest saving will be in men.

There are conflicting currents of national sentiment with a strong popu-



THE GENOA LIGHTHOUSE.

the value of \$14,000,000. Miscellaneous legumes and vegetables are fairly important, both fresh and in oil, as well as some dried vegetables. In ordinary years their total is \$12,000,000. Rice exports amount to approximately \$5,000,000 to \$6,000,000.

Secondary food products, such as Italian pastes, macaroni flour, farina, range from \$10,000,000 upward. Hazel nuts and walnuts, chestnuts, almonds and almonds, pistachios, from Sicily and the

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made up into imitations of standard English prints, and sold about twice as much as American cotton goods, but the quantity is not large. What are known in the Italian trade as cotton tissues are exported in variable quantities. The value in 1913 amounted to \$34,000,000, as against \$27,000,000 the previous year. Yarns are a more staple export, since their value varied little from \$7,000,000.

Hemp yarns and cordage are of some importance. Felt hats are of greater consequence, since their export amounts to a fraction under \$6,000,000. Italian tresses, known in promisc statistics as human hair, are of considerable consequence to womankind in the rest of the world. In some years the value of the human hair exports reaches \$4,000,000.

Italy's foreign commerce is partly an overseas trade, but naturally the traffic with neighboring continental countries is extensive.

Germany holds the first place, and contrives to sell to Italy about twice what she buys from her. In 1913 the imports from Germany were \$118,000,000, as against exports of \$85,000,000.

The United Kingdom has even a more favorable trade balance, the imports there year being \$116,000,000, as against exports of \$60,000,000. In a previous year, however, the imports were less than \$100,000,000, as against exports of \$51,000,000.

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All of this trade with the continental countries and with the United Kingdom is more or less dislocated, yet Italy is able to sell to all of them, and her industries are doubtless able to obtain sufficient supplies of raw material.

The United States has no trade contest with Italy, either for the South American markets or for world commerce generally. The trade between the two countries now approximates \$150,000,000. The United States sells to Italy two dollars' worth of goods for every dollar's worth which we buy from her. It is to our interest to have Italian industries continue to develop, and to absorb more of our raw and partly manufactured products. Raw cotton must always form the bulk of the imports, the value ranging from \$60,000,000 upward.

The Italian market for American coal has only been opened up within the last few years, but it is bound to be a permanently valuable one. The coal is wanted for the shipping lines for the state railways and for residential use. American lumber, especially pine, from Pensacola, is a necessity to Italy, and is imported in quantities to the value of \$3,000,000 and upward.

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market, yet they come in to the amount of nearly \$2,000,000 annually. Dried fruits reach approximately the same amount, and oranges and lemons, \$3,500,000.

The United States is one of Italy's best customers for raw silk, taking anywhere from \$10,000,000 to \$13,000,000 annually.

From every angle the United States is interested in seeing Italy come through the European war with her own industries undisturbed and with her foreign commerce expanded.

South America is the great neutral field where Italy's opportunity for increased trade on account of the war would seem to lie, at the expense of European competitors, just as the opportunity of the United States lies there. There is, however, the drawback for Italy that she does not produce for export machinery, steel rails, railway material and construction material.

An advantage is the large Italian population in South America and the currents of trade and immigration.

Argentina is the largest Italian market in South America, both because of the numerous Italian population and because of the natural basis of reciprocal trade. There is something like an equilibrium, since in 1913 Argentine products to the value of \$38,500,000 were imported into Italy, and Italian products to the amount of \$38,700,000 were exported to Argentina. The Argentine official statistics do not conform to these figures, but the discrepancy is due to the usual causes, and the Argentine system of export and import values, and the Argentine system of export and import values, and the Argentine system of export and import values.

Italy takes from Argentina corn, wheat and other cereals, wool, hides, linseed tallow and some meats. The cereals form the preponderant imports. In 1913 out of a total of \$33,500,000 they amounted to a fraction under \$24,000,000.

Cotton tissues were the largest export commodity from Italy to Argentina. They were a fraction under \$8,000,000. Woolen tissues amounted to nearly \$2,000,000, and silk tissues to \$1,000,000. Linen and hemp tissues were \$1,300,000.

The Italian population is a large consumer of the wines of her own country, although the consumption is not limited to them. Olive oil is exported to Argentina to the value of \$2,000,000 and upward.

A comparison of Argentine imports of some leading commodities by percentages shows where there is further opportunity for Italy legitimately to profit by the war conditions through the dislocation of the trade of the belligerents.

The most promising field is in textiles. Italy supplies Argentina with only 2 per cent of her woolen cloth, as against 17 per cent furnished by Germany. In cotton prints Italy supplies a fraction under 7 per cent and Germany a fraction over 12 per cent.

In bleached cotton goods Italy, however, has 8 per cent, as against Germany's 10 per cent. In unbleached spun

gentinos. With the German parcel post interrupted, and with the French mails uncertain, Italy should be able to get some of this trade.

Italy has a considerable export trade in pharmaceutical products and patent medicines. About 11 per cent of the Argentine imports of these commodities is from Italy, as against 9 per cent

beyond Suez, it can hardly be said that there is a neutral market, though not all of the countries are yet actually involved in war. Should Turkey be drawn in, the extensive Italian population at Smyrna and Constantinople would be cut off temporarily from the big market which they create, and which they have created, for Italian products. The same condition exists at Alexandria, in Egypt.

Libya or Tripoli or Tripolitania, can

and the coastwise commerce, and hardly enter into overseas trade.

In building new merchant ships, Italy has been fully as progressive as Germany, all things considered. The South American service is possibly the most important. The Italian ocean liners for Rio de Janeiro and Buenos Aires equal, if they do not surpass, the new steamers put on by England, France and Germany. They are fast mail steamers, and have a very heavy first-class passenger service.

Immigration traffic, nevertheless, is the most profitable part of the transportation business for the Italian steamship lines. There is not only the stream of immigrants who go out to Argentina and Brazil to settle permanently, but also the many thousands who simply go out for the crop season, and whose round trip passage adds materially to the revenue of the steamship companies.

These big Italian liners, being built chiefly for passenger and immigrant service, are not suitable for bulky cargoes, but since the Italian exports are not as a rule bulky, their limitations are not felt. Some of the wheat cargoes are brought back in them, but most of this is transported in slower vessels.

An Italian line runs between Genoa and Colon, and its service will be extended through the canal, down the west coast to Callao and Valparaiso. Italian commerce is certain to benefit from this extension.

Another Italian line maintains a full line of steamers between Italian ports and Bombay, with way calls at African ports.

The Italian transatlantic liners are too well known to require description. All the Italian steamers enter into the



ST. ELMO CASTLE AND THE PLAZA OF THE PLEBISCITE AT NAPLES.

lar tendency to plunge into the war, even up old scores, with Austria, recover Trieste, Trent, Istria and Dalmatia, and gratify the national aspirations for unrestricted domination of the Adriatic.

Against these tendencies are arrayed the elder statesmen, Signor Giolitti, the former prime minister in the early days of the war, helped to hold in check the popular rage against Austria, while at the same time firmly rejecting the Kaiser's threatening invitation to fulfill the alleged obligations to the triple entente.

Not all of the Italian statesmen who are fighting the war feeling are elder statesmen. Some of them, like Foreign Minister Giolitti, are of the younger generation, who have faith in Italy's future, but who see that the future will be better worked out by the saving in human misery and the legitimate advantage which comes from neutrality. They are not much concerned with diplomatic formulas, but they perhaps have given their support to the diplomatic maneuvers of the allies because these are satisfied to have Italy remain neutral.

Italy's world trade, which would be demoralized and dislocated by her plunging into the war, ranges from \$1,400,000,000 to \$1,300,000,000. Some of this at present is interrupted, just as the commerce of all neutral nations is interrupted, but the loss is nothing like what it would be should Italy become one of the belligerents.

Italy's development, similar to that of Germany in some respects, has been during the last quarter of a century. There has been an evolution from an almost purely agricultural country to one of industry and commerce, with agriculture still one of the leading industries. Italy, too, has been led by Germany in that the lack of raw materials has compelled her to import them for such industries as she has succeeded in developing.

The export trade in Italian raw materials which are wanted by the rest of the world is not inconsiderable, but most of the products are those which are not to be found elsewhere in sufficient quantities to supply the demand. Sicilian sulphur is produced to the extent of 400,000 tons annually and finds a ready market. Italian marble has no competition, because there is no other marble like it. Zinc ore is produced in appreciable quantities for export, but this ends the list of mineral products.

Agricultural raw materials and general agricultural products form a large element in Italy's export commerce.

Raw silk culture is in all respects the most important agricultural industry. The value of the raw silk exports ranges from \$55,000,000 to \$75,000,000 annually, while the waste and collateral products make about \$25,000,000 more. Italy is somewhat like the southern states in the production of cotton, in that comparatively a small portion of the silk product is manufactured at home, since there are relatively few silk mills.

Raw hemp and raw hides and skins enter materially into the export commerce, since their total, in some years, exceeds \$25,000,000.

Foodstuffs of various classes, some of which might be called secondary food manufactures, form an important factor.

Olive oil, of course, leads in vegetable oils, the exports ranging from \$10,000,000 upward or downward, according to the needs of the domestic market and the foreign demand.

Eggs form a surprising item, since they exceed \$3,000,000.

Dairy products are important. Not much butter is exported, but Italian cheese goes abroad in some years to

the value of \$14,000,000. Miscellaneous legumes and vegetables are fairly important, both fresh and in oil, as well as some dried vegetables. In ordinary years their total is \$12,000,000. Rice exports amount to approximately \$5,000,000 to \$6,000,000.

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cotton Italy has 29 per cent and should be able to get some of Belgium's 14 per cent.

In cotton lace Italy supplies 8 per cent, as against Germany's 30 per cent and France's 9 per cent. In cotton and woolen goods Italy has only 5 per cent, as against Germany's 55 per cent and Belgium's 19 per cent.

In colored cotton yarns Italy has 24 per cent, as against Belgium's 16 per cent and Germany's 12 per cent.

The parcels post trade, which is a very valuable one, consisting mostly of fine drygoods, yields Italy 25 per cent, as against the same amount to Germany and 23 per cent to France.

Italy, however, supplies almost exclusively the Italian population, while Germany and France supply the Ar-

and English vessels which call at Naples and Genoa have a valuable share in Italian shipping. The opportunity now exists for Italy to expand her merchant marine so that she may become not only the carrier of the bulk of the cargoes which enter into her own foreign commerce, but also may serve as a sea carrier for the trade of other countries.

Italy has a very progressive shipbuilding industry of her own, and builds merchant ships as well as warships. The government encourages the steamship lines by subsidies.

The merchant marine now numbers about 850 steamers, of a total tonnage of 800,000, and several thousand sailing vessels. The latter are engaged chiefly in the Mediterranean

neutrality asset in the trade gains from the war and furnishing the basis for a further upbuilding of the merchant marine, which means further expansion of Italy's foreign commerce.

The Grenadier's Retort.

It is related that when the Czar Alexander I met the Emperor Napoleon at Erfurt, they walked arm and arm together one morning up and down the alleys of the park. They and their armies had been at war with each other more than once, but were now friends.

At the foot of a flight of steps leading from a terrace stood an old French grenadier on guard. As the two emperors walked up and down, dividing the world between them, but his stern face was as expressionless as a wall.

However, both emperors noted upon this old soldier's face something that interested them—a great white scar which extended from the forehead well down upon the cheek.

Napoleon paused, smiling proudly as he looked at the grenadier's scar. Then he shook his head significantly.

"What do you think," said he to the scar, "of soldiers who carry into new battles such wounds as that?"

"And you," answered Alexander, smiling in his turn, "what do you think of soldiers who can give such wounds?"

"Then a voice came as if from the air: 'They are all dead—those fellows!'"

It was the grenadier, who, without in the least disturbing the peace of his statue-like attitude, had vindicated his record as a warrior with this remark.

"The scar smiled. 'Here, as everywhere else, the victory is yours,' said he to Napoleon.

"And here, as everywhere else, it is my grenadiers who give it to me," said the French emperor.

Then the two potentates marched on, leaving the grenadier's scarred face as impassive as ever.

The Youth Napoleon.

SOME years ago a French historian searched the papers of the military school at Brienne for traces of the boy Napoleon, who was a student there, and some of his school papers were actually discovered.

One of these, a geography paper, has, as the last line on the last page, this unassuming note, in the young Bonaparte's writing:

"St. Helena: A small English island. There is nothing very mysterious about this, but the underscoring, which, if it was Bonaparte's own, may seem almost prophetic.

The fact recalls the story of a certain play in which Napoleon, as a young officer, appears, and in looking at a map of Belgium, puts his finger upon the word 'Waterloo,' and exclaims tragically: 'That fatal name!'

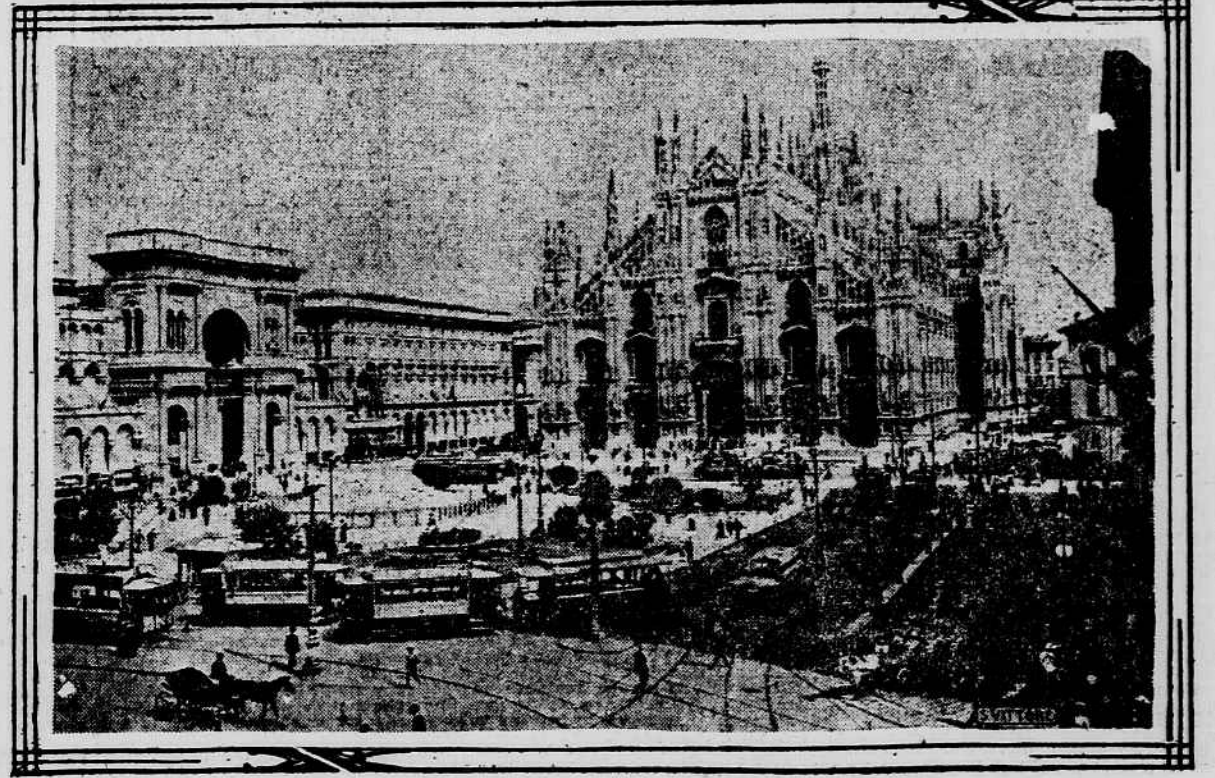
The story may be classed as amusing rather than as serious, but it is an autograph of the great Napoleon was once exhibited in Paris. Among those who want to see them was a writing master. He was filled with contempt. 'I can't understand,' said he, 'the admiration of certain people for Napoleon. Why, he scarcely made a mark with his upstrokes!'

An authentic story of the emperor relates that when M. Segulier was put forward for the place of first judge of the court of appeals, he was presented to Napoleon, who said:

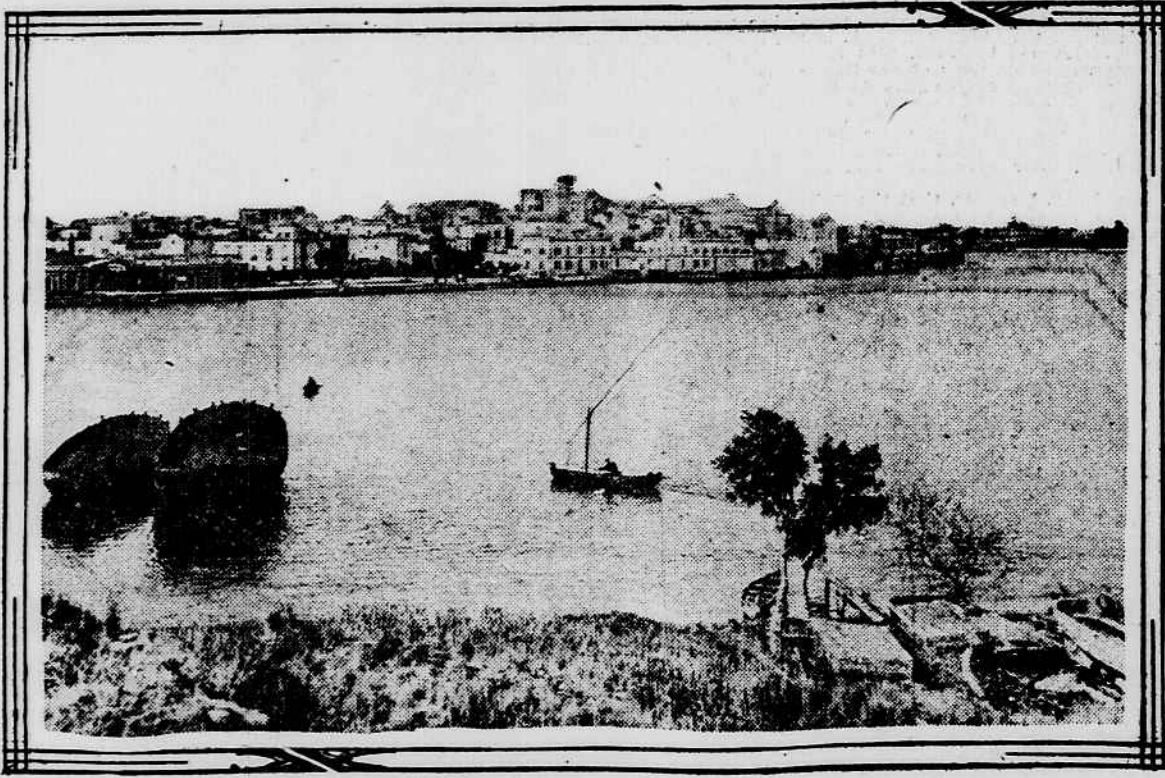
"But you are young for such an office, sir. What is your age?"

"The same as that of your majesty when you won the battle of Marengo," said Segulier.

He received the appointment.



MILAN'S CELEBRATED CATHEDRAL AND PLAZA DUOMO.



PANORAMA OF BRINDISI, WHERE THE ENGLISH FAST MAIL STARTS FOR SUEZ AND THE ORIENT.